TERM

July 1, 2015 - June 30, 2017

WAGES

- 3% general wage increase effective Fiscal Year 2015-2016. Effective June 21, 2015, all salary ranges for employees holding positions in classifications assigned to IBEW shall be increased by approximately 3%.
 - o In recognition of this two (2) year Memorandum of Agreement (MOA) being reached prior to the adoption of the Fiscal Year 2015-2016 budget, thus providing both the City and employees budget and labor stability for the next two (2) Fiscal Years, a one-time lump sum non-pensionable payment equivalent to approximately 1% of an employee's base pay as of June 20, 2015, shall be made to full-time employees holding positions in classifications assigned to IBEW within two (2) full pay periods following ratification by the membership of IBEW and approval by City Council. To receive the one-time lump sum non-pensionable payment, a full-time employee must be continuously employed in an IBEW represented position from June 20, 2015, to the date when the payment is made. This one-time lump sum non-pensionable payment shall be made separately from an employee's regular pay.
- 3% general wage increase effective Fiscal Year 2016-2017. Effective June 19, 2016, all salary ranges for employees holding positions in classifications assigned to IBEW shall be increased by approximately 3%.
- In the event that the City reaches an agreement with any other non-sworn employee unit during the term of the Memorandum of Agreement with IBEW, and such agreement with any other non-sworn employee unit includes an aggregate general wage increase or lump-sum one-time payment on a bargaining unit wide basis greater than those negotiated herein, this Agreement will reopen on the subject of wages only, and the parties will meet and confer over wages. This provision will not apply to any changes made to any classification(s) due to a market survey or classification study, any leave payout or any settlement of a grievance or other administrative proceeding.

PAYS

- Protective Footwear See attached
- Prescription Safety Glasses See attached

VACATION LEAVE

Vacation Accrual – See attached

SICK LEAVE - ELIGIBILITY FOR USE

- Eligibility for Use of Sick Leave See attached
- Medical Verification See attached (as proposed by the City on June 2, 2015)

HEALTH BENEFITS

Health / Dental in Lieu - See attached

GRIEVANCE PROCEDURE

Grievance Procedure - See attached (as proposed by the Union on June 9, 2015)

REST PERIODS

Rest Periods - See attached

HOUSEKEEPING

Disability Leave - See attached

SIDE LETTER AGREEMENTS

The following side letters will continue:

- Retiree Healthcare Stakeholder Solutions Working Group and Negotiations See attached
- Employee Commute Benefit See attached

REOPENERS

- Retirement issues See attached
- Changes to healthcare See attached
- Full Faith and Credit The parties agree to discuss Section 10.1.2.
- Industrial Electricians The parties agree to discuss questions related to seniority.
- This agreement is considered tentative and shall not be considered final or binding until ratified by union members and approved by the City Council. This document sets forth the full agreements of the parties reached during these negotiations. Anything not included in this document is not part of the Tentative Agreement.

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FOR THE EMPLOYEE ORGANIZATION:

6/15/15

Jennifer Schembri

Interim Director of Employee Relations

Sal Ventura, Business Representative

International Brotherhood of Electrical

Workers, Local 332 (IBEW)

Marco Mercado, Asst. to the City Manager

Office of Employee Relations

CITY PROPOSAL - PROTECTIVE FOOTWEAR

City Proposed Language:

ARTICLE 5 WAGES AND SPECIAL PAY

5.16 Protective Footwear

The City agrees to reimburse eligible employees provide a voucher for the purchase of non-conductive protective footwear for up to \$200.00 for full-time-employees when it is determined by the Director of Human Resources or designee that non-conductive protective footwear is required for the full-time-employee. Protective footwear shall meet established Occupational Safety and Health Administration's (OSHA) standards, current American National Standard for Personal Protection- Protective Footwear standards and requirements as determined by the City Safety Officer or designee. The City will replace protective footwear as needed, but no more than once per calendar year. The City will replace the employee's safety shoes if they are damaged beyond use due to a workplace incident. An individual may select an approved style that is more expensive than the City maximum by paying the difference. For purposes of this section a calendar year is twelve (12) calendar months from the time an employee receives the voucher.

CITY PROPOSAL - PRESCRIPTION SAFETY GLASSES

City Proposed Language:

ARTICLE 5 WAGES AND SPECIAL PAY

5.18 Protective Prescription Safety Glasses

The City agrees to reimburse eligible employees who require the use of prescription lenses and are in positions that require the use of protective safety glasses for the purchase of protective prescription safety glasses for up to \$200.00 for full-time employees when it is determined by the Director of Human Resources, or designee, that protective prescription safety glasses are required. The City will replace protective prescription safety glasses as needed, but no more than once per calendar year. An individual may select an approved style that is more expensive than the City maximum by paying the difference.

CITY PROPOSAL - VACATION

City Proposed Language:

ARTICLE 17 VACATIONS AND PERSONAL LEAVE

- 17.1 Each eligible full-time employee shall be granted vacation leave with pay in accordance with the following:
 - 17.1.1 Employees shall accrue a leave of absence with full pay for vacation purposes, in the amount specified below for each cycle of 26 full biweekly pay periods immediately preceding December 31st, or portion thereof, in each year of employment as specified.

<u>Yea</u>	ars of Service	Approximate Accrual Rate per paid hour	Hours of Vacation per 26 Pay Period Cycle
Firs	t 5 years	0.038462	80 hours
	- 10th year	0.057693	120 hours
11th	n and 12th year	0.065385	136 hours
13th	n and 14th year	0.073077	152 hours
15th	n year or more -20th	<u>year</u> 0.080770	168 hours
21s	t – 24th year	0.085577	178 hours
25 (or more years	0.090385	188 hours

CITY PROPOSAL - ELIGIBILITY FOR USE OF SICK LEAVE

City's Proposed Language:

ARTICLE 18 SICK LEAVE

- 18.1 Each full-time-employee shall be entitled to sick leave with pay in accordance with the following provisions:
 - 18.1.2 Accrued sick leave may be utilized if the employee is required to be absent from work on account of non-job related illness or injury; routine medical or dental appointments; or for the care related to the illness of the employee's child, mother, father, spouse, or domestic partner registered with the Department of Human Resources.

Up to a total of 48 hours of accrued sick leave per calendar year may be utilized if the employee is required to be absent for the care related to the illness or injury of the employee's <u>grandparent</u>, <u>grandchild</u>, brother, sister, father-in-law, mother-in-law, stepfather, stepmother or stepchild.

The provisions of this section related to the use of sick leave for the care related to the illness or injury of the employee's family members as defined above shall expire at the end of the term of this Agreement. In the negotiations for a successor Agreement, the parties shall review and evaluate the appropriateness of this benefit.

CITY PROPOSAL - MEDICAL VERIFICATION

City Proposed Language:

ARTICLE 18 SICK LEAVE

Any time Aan employee is required to report to work and is unable to report due to illness or injury, an employee may be required to furnish medical verification or other substantiation for any such absence. for which sick leave payment is requested.

CITY PROPOSAL - BENEFITS

City's Proposed Language:

ARTICLE 5 WAGES AND SPECIAL PAY

- 5.6.5 Payment-in-Lieu of Health and/or Dental Insurance Program
 - 5.6.5.1 The purpose of the payment-in-lieu of health and/or dental insurance program is to allow employees who have double health and/or dental insurance coverage to drop the City's insurance and receive a payment-in-lieu. Effective January 1, 2016, payment-in-lieu of health and/or dental insurance will have a 4-tier structure (Employee, Employee plus Spouse/Domestic Partner, Employee plus Child(ren) and Family). The payment-in-lieu amounts will be adjusted effective the first pay period in the payroll calendar year 2016, which starts December 20, 2015.
 - 5.6.5.2 Effective pay date July 1, 2011, employees who qualify for and participate in the payment in-lieu of health and/or dental insurance program will receive the following per pay period:

Employees who qualify for and participate in the payment-in-lieu health and/or dental insurance program will receive the following per pay period:

	Health in-lieu	Dental in-lieu
If eligible for family coverage	\$221.84	\$19.95
If NOT eligible for family coverage	\$89.09	\$19.95

Health Insurance Tier	Health-in-Lieu	Dental-in-Lieu
Employee	\$89.09	<u>\$6.65</u>
Employee plus spouse/domestic partner	\$147.87	\$13.30
Employee plus Child(ren)	\$129.39	<u>\$11.64</u>
<u>Family</u>	<u>\$221.84</u>	<u>\$19.95</u>

A City employee who receives healtheare and/or dental coverage as a dependent of another City employee or retiree shall be deemed not eligible for family coverage eligible for the employee only coverage for the payment-in-lieu of health and/or dental program.

UNION PROPOSAL - GRIEVANCE PROCEDURE

As proposed by Union on June 9, 2015

ARTICLE 12 GRIEVANCE PROCEDURE

12.6.2

Within fourteen (14) calendar days following the receipt of the notice of appeal to Step IV, a meeting may—shall be arranged by the Municipal Employee Relations Officer with the appropriate employee organization representative to prepare a joint statement of the issue, or issues, to be presented to the arbitrator. The employee may also be permitted to attend. If the parties are unable to agree upon the issue, or issues, each party will prepare its statement of the issue, or issues, and jointly submit the separate statement of issue, or issues to the arbitrator. At the beginning of the hearing referred to herein, the arbitrator shall determine what the issue, or issues, are.

UNION PROPOSAL - REST PERIODS

City Counterproposal:

ARTICLE 6 HOURS OF WORK AND OVERTIME

6.11 To the extent possible aA fifteen (15) minute rest period will be provided in each half of the regularly scheduled work shift. In addition, and to the extent possible, employees will be provided a fifteen (15) minute rest period after every four (4) hours of work for those hours worked outside of the employee's regularly scheduled work shift. Insofar as is possible, rest periods shall be scheduled in the middle of each half of the shift. It is understood and agreed that the inability to permit an employee to take a rest period shall not be a basis for any claim for overtime compensation.

CITY PROPOSAL - HOUSEKEEPING - DISABILITY

City's Proposed Language:

ARTICLE 17 VACATIONS AND PERSONAL LEAVE

17.3 Computation of Vacation Leave

17.3.1 For purposes of this Article, paid leave of absence from duty by reason of sick leave, holiday leave, vacation leave, disability leave, compensatory time-off, personal leave, or any other paid leave, shall be deemed to be "time worked."

ARTICLE 18 SICK LEAVE

- 18.1 Each full-time employee shall be entitled to sick leave with pay in accordance with the following provisions:
 - 18.1.1 Sick leave shall accrue in an amount equal to the number of hours worked, excluding overtime, multiplied by a factor of 0.04616. Only paid leave for holidays, vacation, disability, compensatory time off, personal leave, or other paid leave shall be considered as time worked for purposes of this section.

ARTICLE 19 DISABILITY LEAVE

19.1 Disability Leave Supplement

Disability Leave Supplement (DLS) was the benefit provided pursuant to this Article, which when added to Workers' Compensation Temporary Disability (WCTD) results in providing employees 85% of their regular base salary. Effective July 7, 2013, employees shall-were no longer be-eligible to receive DLS.

19.2 Termination of Disability Leave

An employee who is unable to return to full time regular duty following the expiration of any and all leave (and the integration of Sick Leave as provided in Article 18), including the integration of accrued vacation, compensatory time off, and sick leave as provided in Article 19.3 and with Workers' Compensation may be separated from City service.

19.3 Integration

The integration of an employee's available leave will occur in the following order: (1) accrued Vacation hours, (2) earned Compensatory Time once Vacation has been exhausted, and (3) accrued Sick Leave once Vacation and Compensatory Time have been exhausted.

 In no event shall an employee receive an amount, including any Workers' Compensation Temporary Disability payments, in excess of the employee's regular base salary.

Side Letter Agreement

RETIREE HEALTHCARE STAKEHOLDER SOLUTIONS WORKING GROUP AND NEGOTIATIONS

PURPOSE

The parties recognize the importance of funding the current retiree healthcare benefit, and since 2009, have been increasing contributions into the plan in order to begin paying the full Annual Required Contribution to ensure funding of the retiree healthcare benefit.

Neither the City nor the bargaining units have committed to close the plan. However, new employees will not enter the existing retiree healthcare plan. Since current employees share in paying the unfunded liabilities of the current retiree healthcare benefit, new employees who are not in the current plan would not be making those payments. The City has agreed to make the contributions towards the unfunded liabilities that those new employees would have paid had they been in the current plan. The City has agreed to do so in order to allow time for long-term solutions to be developed by a Retiree Healthcare Solutions Working Group ("Working Group") and negotiations.

The goal of the Working Group shall be to develop options that lead to long-term solutions to the retiree healthcare issue.

The City and the Coalition¹ have agreed to immediately continue working on solutions to retiree healthcare both through the Working Group and subsequent negotiations. The parties are committed to working collaboratively towards long-term solutions and have agreed to remain open to considering various options. The options considered will include, but are not limited to, the following:

- Using high-deductible healthcare plans in combination with individual health savings accounts;
- Limitations on the current retiree healthcare benefit in combination with individual health savings accounts;
- Tiered healthcare benefit structures based on length of employment;
- Modification of eligibility requirements;
- Health plan design and rate structure changes;
- Incentives for employees to work beyond normal retirement eligibility; and
- The inclusion or exclusion of new employees in any modifications, or the formation of a completely different plan for new employees.

¹ The San Jose Federated Labor Coalition consists of the following nine (9) bargaining units: Association of Building, Mechanical, and Electrical Inspectors (ABMEI), Association of Engineers and Architects (AEA), Association of Legal Professionals (ALP), Association of Maintenance Supervisory Personnel (AMSP), City Association of Management Personnel (CAMP), Confidential Employees' Organization (CEO), International Brotherhood of Electrical Workers (IBEW), Municipal Employees' Federation (MEF) and International Union of Operating Engineers, Local #3 (OE#3).

RETIREE HEALTHCARE STAKEHOLDER SOLUTIONS WORKING GROUP

Facilitator:

By August 1, 2013, the City and the Coalition members will mutually agree on an independent person or entity that is knowledgeable in the area of retiree healthcare benefits to facilitate the Working Group.

The facilitator will facilitate the discussions, provide information to the parties, and generally assist in the development of options for long-term solutions. Upon the mutual agreement of the City and Coalition members, other subject matter experts may be engaged to assist in analyzing possible solutions.

The costs of the facilitator and any subject matter experts will be shared equally between the City and the Coalition members.

Participation:

In addition to the City and a representative from each bargaining unit in the Coalition, members of the Working Committee will include a representative of the retirees, and any unrepresented employee group(s).

Meetings:

The City and the Coalition will jointly schedule Working Group sessions in coordination with the facilitator. More frequent and longer Working Group sessions will be scheduled in the early stages of the process. The Working Group sessions will be open to employees and the public.

TIMELINE FOR RETIREE HEALTHCARE SOLUTIONS WORKING GROUP AND NEGOTIATIONS:

The Working Group shall agree upon a facilitator no later than August 1, 2013. The time period to schedule Working Group sessions will be from August 1, 2013, and conclude no later than December 31, 2013, unless the parties mutually agree to extend the timeframe. The City and the Coalition agree that this process will not supplant the meet and confer process regarding retiree healthcare.

Negotiations between the City and the bargaining units shall commence within 14 days upon notice of either party, but no earlier than January 1, 2014. The City and the bargaining units shall negotiate in good faith in an effort to reach a mutual agreement. Applicable impasse dispute resolution procedures shall apply. The parties intend to meet and confer through coalition bargaining. However, all parties reserve their respective rights to withdraw from coalition bargaining. In such an event, the City and any bargaining unit that withdraws from the Coalition will bargain separately.

This Side Letter Agreement is considered part of the tentative agreement on retiree healthcare with the bargaining units and shall become effective only as part of the overall retiree healthcare agreement. Each bargaining unit conducts separate ratification processes, and this Side Letter Agreement shall be effective for those bargaining units who ratify the overall tentative agreement on retiree healthcare and only during the term of those agreements with each respective bargaining unit.

only during the term of those ag	reements with each respective bargaining t	41116.
FOR THE CITY:	FOR THE UNION:	
Alex Gurza Deputy City Manager	Date Date President MEF, AFSCME Local 101	(6/10/13 Date
Jennifer Schembri Deputy Director of Employee Relations	Charles Allen Business Agent AFSCME, Local 101	
Cheryl Parkman Executive Analyst	Date FOR THE UNION:	¥
Office of Employee Relations	LaVerne Washington President CEO, AFSCME Local 101	<i>C/16/17</i> Date
)B		6/10/13
	Charles Allen Business Agent AFSCME, Local 101	Date
	Bill Pope Business Representative Operating Engineers, Local 3	Date
	Vera Todorov President ALP	6 13 3 Date
	FOR THE UNION:	6/11/13

Peter Fenerin President ABMEI

FOR THE UNION:	₩ 55
Janua / B Buttan President	6/10/13 Date
AEA, IFPTE Local 21 Michael Seville Acting Senior Representative IFPTE, Local 101	6/10/13 Date
FOR THE UNION; Dale Dapp President	6/10/201 Date
AMSP, IFPTE Local 21 Michael Seville Acting Senior Representative IFPTE, Local 101	6/10/13 Date
FOR THE UNION: Matt Farrell President CAMP, IFPTE Local 21	6/10/24/2 Date
Michael Seville Acting Senior Representative IFPTE, Local 101	6/10/13 Date
Frank Crusco Chief Steward IBEW, Local 332	6-10-13 Date
Dan Rodriguez Business Representative IBEW, Local 332	6/10/13 Date

Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

AND

THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (IBEW), LOCAL NO. 332

EMPLOYEE COMMUTE BENEFIT PILOT PROGRAM

The City and the International Brotherhood of Electrical Workers (IBEW), Local No. 332 ("Union") agree to an Employee Commute Benefit Pilot Program ("Pilot Program").

The Pilot Program shall be as follows:

- Full-time, and part-time employees who worked an average of twenty (20) or more hours per week within the previous calendar month, shall be eligible to participate in the Pilot Program. Seasonal workers and Airport employees are not eligible to participate in the Pilot Program; the Airport provides its own separate employee commute program.
- Participation in the Santa Clara Valley Transit Authority ("VTA") Eco Pass Program will be available to eligible employees, subject to the terms of the Pilot Program, effective October 1, 2014, through December 31, 2015. The distribution of the Eco Pass cards shall start at the beginning of October, 2014.
- Pursuant to the Pilot Program, eligible employees shall be allowed to use pre-tax dollars ("Pre-Tax Payroll Deduction Program") to pay for transit service beyond those provided by VTA. The administrative fees of the Pre-Tax Payroll Deduction Program will be paid for by the City during the term of the Pilot Program.
 - The Pre-Tax Payroll Deduction Program shall enable employees to use pre-tax dollars to pay for non-VTA transit services, which may include, but are not limited to, Caltrain, the Hwy 17 Express Bus, and BART.
 - The Pre-Tax Payroll Deduction Program shall be effective January 1, 2015, through December 31, 2015, pending City Council approval of the contract for a Flexible Spending Account.
- It is understood by all parties that the Pilot Program has a term of October 1, 2014, through December 31, 2015.

This Side Letter shall become effective when signed by all parties below, and the Pilot Program shall become effective on October 1, 2014, and expire on December 31, 2015. Prior to October 1, 2015, the City and IBEW will discuss and evaluate the Commuter

Side Letter – Employee Commute Benefit Pilot Program September 24, 2014 Page 2 of 2

Benefit Program (for example the utilization of the program). Through that discussion, the City and IBEW will discuss the Commuter Benefit Program for 2016.

FOR THE CITY:

FOR THE UNION:

Alex Gurza

Deputy City Manager

Date

9-80-14

rank Crusco

Chief Steward

IBEW, Local 332

Date

Jennifer Schembri

Date

Deputy Director of Employee Relations

Sal Ventura

Assistant Business Manager

IBEW, Local 332

Date

9/6/14

SIDE LETTER AGREEMENT BETWEEN

THE CITY OF SAN JOSE

AND

THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL NO. 332 (IBEW)

Retirement (Pension and Retiree Healthcare) Reopener

The City of San Jose (City) and the International Brotherhood of Electrical Workers, Local No. 332 (IBEW), agree to continue settlement discussions over retirement issues (pension and retiree healthcare), including additional retirement contributions.

In the event that the multi-party discussions regarding retirement issues (pension, retiree healthcare and additional retirement contributions) related to Measure B Settlement Negotiations are discontinued during the term of the successor Memorandum of Agreement (MOA) between the City and IBEW, either party may provide notice to the other of its request to commence settlement discussions on a bilateral basis. The parties shall commence the discussions within ten (10) calendar days after the City or IBEW receive notice from the other.

In the event that the City desires to seek further amendment to the City Charter to (1) increase the maximum benefits under Tier Two, (2) revise the definition of disability, or (3) allow returning Tier One employees to re-enter the retirement system as Tier One, the City shall give notice to IBEW and the parties shall commence the meet and confer within ten (10) calendar days after the City gives such notice.

Nothing in this section shall be construed to waive any rights either party may have with regard to any other change to retirement benefits (pension, retiree healthcare, and/or additional retirement contributions).

This agreement is considered part of the tentative agreement for a successor MOA between the parties, and shall become effective only as part of the overall tentative agreement for a successor MOA, and when signed by all parties below and approved by the City Council. This agreement is effective only during the term of a successor MOA.

FOR THE CITY:

FOR THE EMPLOYEE ORGANIZATION:

Date

Sal Ventura

6/18/15

Assistant to the City Manager, OER

Business Representative, IBEW

SIDE LETTER AGREEMENT **BETWEEN**

THE CITY OF SAN JOSE

AND

THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL NO. 332 (IBEW)

City Medical Benefits Reopener

To the extent that they are a mandatory subject of bargaining and arise during the term of the successor Memorandum of Agreement (MOA) between the City of San Jose (City) and the International Brotherhood of Electrical Workers, Local No. 332 (IBEW), the parties agree to meet and confer over changes to City medical plans related to the Affordable Care Act and/or any changes to healthcare providers. If there is a change in health care providers, the benefits provided by those providers will be substantially equivalent to those listed in Article 5.6 and 5.7 of the IBEW MOA and those benefits provided by the displaced provider(s) but may involve a different group of licensed medical doctors/practitioners.

Either the City or IBEW may provide notice to the other of its request to discuss changes to City medical benefits. The parties shall commence the discussions within ten (10) calendar days after the City or IBEW receive notice from the other.

To the extent that any change to City medical benefits is a mandatory subject of bargaining, the parties shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties reach impasse and no agreement is reached on those issues that are a mandatory subject of bargaining, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367 and/or the Meyers Milias Brown Act. The parties understand that this means that, notwithstanding any other provision in the successor MOA, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures.

This Agreement is considered part of the tentative agreement for a successor MOA between the parties, and shall become effective only as part of the overall tentative agreement for a successor MOA, and when signed by all parties below and approved by the City Council. This agreement is effective only during the term of a successor MOA.

FOR THE CITY:

FOR THE EMPLOYEE ORGANIZATION:

Sal Ventura

6/18/15

Assistant to the City Manager, OER

Business Representative, IBEW